

Iron Mountain Companies Agree to Pay \$44 Million to Settle Claims of False Billing for Storing Government Documents and Data - GSA Office of Inspector General

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United States Attorney's Office

Eastern District of California

December 19, 2014

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WASHINGTON – Iron Mountain Incorporated and Iron Mountain Information Management LLC have agreed to pay \$44.5 million to resolve allegations under the False Claims Act that Iron Mountain overcharged federal agencies for record-storage services under General Services Administration contracts, United States Attorney Benjamin B. Wagner announced today.

Iron Mountain is a records storage company headquartered in Boston, Massachusetts. The civil settlement resolves a lawsuit filed under the whistleblower provision of the False Claims Act, which permits private parties to file suit on behalf of the United States for false claims and obtain a portion of the government's recovery. The civil lawsuit was filed in the Eastern District of California by Brent Stanley, a former Iron Mountain employee, and Patrick McKillop. Their share of the recovery has not yet been determined.

"Protecting the federal procurement process from false claims is central to the mission of the Department of Justice," said Joyce R. Branda, Acting Assistant Attorney General for the Justice Department's Civil Division. "We will continue to ensure that when federal monies are used to purchase commercial services the government receives the prices and services to which it is entitled."

"This settlement illustrates our commitment to protecting the integrity of federal contracting programs," said U.S. Attorney Wagner. "Federal agencies rely on pricing information under the Multiple Award Schedule program in particular, and deserve the full benefit of applicable contract terms."

This settlement relates to contracts under which Iron Mountain provided record-storage services to government entities from 2001 to 2014 through GSA's Multiple Award Schedule (MAS) program. The MAS program provides the government with a streamlined process for procurement of commonly used commercial goods and services. The settlement resolves allegations that Iron Mountain failed to meet its contractual obligations to provide GSA with accurate information about its commercial sales practices during contract negotiations and failed to comply with the price reduction clause of the GSA contracts by not extending lower prices to government customers as required during its performance of the contracts. It also resolves an allegation that Iron Mountain charged the United States for storage that met National Archives and Records Administration requirements when the storage provided did not meet such requirements.

"My office will continue working diligently to make sure American taxpayers are getting the best value for every dollar spent," said U.S. General Services Administration Acting Inspector General Robert C. Erickson.

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The settlement with Iron Mountain was the result of a coordinated effort among the U.S. Attorney's Office for the Eastern District of California; the Commercial Litigation Branch of the Justice Department's Civil Division; the GSA, Office of the Inspector General; the Defense Criminal Investigative Service; NASA, Office of Inspector General; the U.S. Department of Veterans Affairs, Office of Inspector General; the U.S. Department of Agriculture, Office of Inspector General; the U.S. Army Criminal Investigation Command; and the U.S. Department of Housing and Urban Development, Office of Inspector General.

The lawsuit is captioned *United States ex rel. Brent Stanley and Patrick McKillop v. Iron Mountain Incorporated*, Civil Action No. 11-3260 (E.D. Cal.). The claims resolved by this settlement are allegations only, and there has been no determination of liability.

Source: http://www.justice.gov/usao/cae/news/docs/2014/2014_12/12-19-14IronMountain.html